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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

BY: _____

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14 United States of America

15 IN THE UNITED STATES DISTRICT COURT FOR THE
16 CENTRAL DISTRICT OF CALIFORNIA

17
18 UNITED STATES OF AMERICA,

19 Plaintiff,

20 v.

21 DENNIS E. GIROUD,
22 individually and
23 d/b/a REFUNDS R US,

24 Defendant.

EDCV11-0608 VAP (OPx)

Civil No. _____

Complaint for Permanent Injunction
and Other Relief

25 Plaintiff, United States of America, for its complaint against Dennis E. Giroud,
26 individually and doing business as Refunds R Us, states as follows:
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1 1. Jurisdiction is conferred on this Court by 28 U.S.C. §§ 1340 and 1345 and
2 26 U.S.C. §§ 7402(a), 7407, and 7408.

3 2. This suit is brought under 26 U.S.C. §§ 7402, 7407, and 7408 to enjoin
4 Dennis E. Giroud, individually and doing business as Refunds R Us, from the following
5 activities:

- 6 (a) Preparing or filing, or assisting in, or directing the preparation or filing of
7 any federal tax return, amended return or other federal tax documents or
8 forms for any other person or entity;
- 9 (b) Engaging in conduct subject to penalty under 26 U.S.C. § 6694;
- 10 (c) Engaging in conduct subject to penalty under 26 U.S.C. § 6701, including
11 preparing and filing tax returns and other documents that understate the tax
12 liabilities of others;
- 13 (d) Preparing his own federal income tax returns with fabricated income-tax
14 withholding and refunds based on amounts shown in Forms 1099-OID
15 issued to his creditors;
- 16 (e) Filing, providing forms for, or otherwise aiding or abetting the filing of
17 frivolous Forms 1040, 1099, and other IRS forms for himself or others,
18 including the notarization or signing of certificates of service or similar
19 documents in connection with the frivolous tax returns;
- 20 (f) Representing anyone other than himself before the Internal Revenue Service;
- 21 (g) Engaging in any other conduct that is subject to penalty under the Internal
22 Revenue Code or that interferes with the proper administration and
23 enforcement of the internal revenue laws.

24 3. Pursuant to 26 U.S.C. §§ 7402, 7407, and 7408, this action has been
25 requested by the Chief Counsel of the IRS, a delegate of the Secretary of the Treasury,
26 and commenced at the direction of a delegate of the Attorney General.

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5. Giroud operates Refunds R Us as a sole proprietorship and the business address in Las Vegas, Nevada is used for mailing purposes only.

Defendant Giroud's Tax-Fraud Scheme

8. Under the federal tax withholding system, employers must withhold taxes from a taxpayer's wages. Additionally, a taxpayer may have tax withheld from other sources, such as gambling winnings. Later, when a taxpayer files his or her year-end tax return, the IRS refunds the amount, if any, of withholding in excess of the taxpayer's tax liability.

- 3 -

1 Giroud has overstated his customers' income and withholding amounts by millions of
2 dollars to obtain refund checks for millions of dollars.

3 10. The bogus claims that Giroud makes on his customers' tax returns are based
4 on a frivolous tax-defier theory called "redemption" or "commercial redemption."
5 Promoters of this theory claim that the United States government maintains for each
6 taxpayer a secret treasury account worth millions of dollars. By sending government
7 officials and banks unsolicited documents and various IRS forms, promoters claim
8 customers can use this nonexistent secret treasury account to satisfy their debts and
9 liabilities, including tax liabilities.

10 11. In support of the fraudulent refund claims, Giroud reports bogus "Form 1099
11 OID" income on the Schedules B attached to tax returns that he prepares for customers
12 and he files bogus Forms 1099-OID with the IRS.

13 12. Original issue discount (OID) income refers to the difference between the
14 price for which a debt instrument is issued and its stated redemption price at maturity.
15 OID income is generally included in a taxpayer's income as it accrues over the term of a
16 debt instrument, regardless if the taxpayer receives payments from the issuer of the debt
17 instrument. OID income is treated like a payment of interest and a party issuing a
18 financial instrument generating OID income must issue a Form 1099-OID.

19 13. The frivolous federal income tax returns that Giroud prepares falsely state
20 that his customer either issued a debt instrument that generated OID income or purchased
21 a debt instrument that generated OID income.

22 14. The frivolous federal income tax returns that Giroud prepares also falsely
23 state that federal income taxes were withheld for the full amount of OID income
24 purportedly received by his customer.

25 15. The frivolous federal income tax returns that Giroud prepares list OID
26 income purportedly received by his customer to or from a creditor of the customer,
27 usually a car loan, mortgage or credit card balance owed by the customer to the creditor.

1 The federal income tax returns Giroud prepares also report tax withholding for near the
2 amount of the debt. The result of this is a return showing an inflated tax liability for the
3 customer but, because of the purported tax withholdings, the return also claims a huge
4 false refund.

5 16. Consequently, Giroud's customers fail to file proper federal income tax
6 returns and falsely claim tax refunds to which they are not entitled.

7 17. The ostensible purpose of Giroud's frivolous tax returns and Forms
8 1099-OID is to request fraudulent refunds by accessing a supposed Treasury account.

9 18. In reality, Giroud fraudulently reports that tax was withheld from his
10 customers and then claims refunds based on that false withholding.

11 19. The returns that Giroud submits on behalf of his customers falsely claim that
12 each customer had taxes withheld in an amount nearly as large as the total amount of
13 income reported on fraudulent Forms 1099-OID attached to the tax return and/or the total
14 amount reported on the Schedule B attached to the return as "Form 1099 OID" income.
15 The income amounts listed on the Forms 1099-OID are based on the total amount of debt
16 the customer owes to his/her creditor.

17 20. Giroud's redemption theory is complete fiction and has been rejected by
18 numerous courts. In promoting this fraudulent scheme, Giroud has injured his customers,
19 and the United States, which has paid at least \$1,266,062 in erroneous refunds because of
20 Giroud's fabricated withholding claims.

21 *Giroud Prepared Tax Returns for Customers that Frivolously Overstated their*
22 *Income and Withholdings and Claimed Over Nineteen Million Dollars in Bogus Refunds.*

23 21. The IRS has identified at least 114 tax returns prepared by Giroud for
24 customers in 2009 and 2010 reflecting the bogus "redemption" theory, which fraudulently
25 claim a total of \$28,697,701 in withholdings and \$19,443,873.40 in refunds. These
26 identified tax returns include Form 1040 income tax returns for tax years 2008 and 2009,
27 and also Forms 1040X amended income tax returns for tax years 2005, 2006, and 2007.

1 22. For example, Giroud prepared an amended 2008 federal tax return for
2 customers Eszylfie and Kristen Taylor of Altadena, California, which included a
3 fraudulent Form 1099-OID listing Wells Fargo Bank as the payor of OID in the amount
4 of \$749,796.14 to the Taylors. The Form 1099-OID fraudulently claims that, from that
5 purported amount, Wells Fargo Bank withheld \$749,796.14 in federal income tax. As a
6 result of the fraudulent tax withholding claim on the Form 1099-OID, the Giroud-
7 prepared return falsely claimed a tax refund for the Taylors in the amount of \$453,639.

8 23. Giroud also prepared amended tax returns for the Taylors for tax years 2006
9 and 2007 which fraudulently claimed on Forms 1099-OID that \$515,371.14 and
10 \$1,238,357.07 of federal income tax was withheld, respectively. The Taylors' 2006 and
11 2007 Giroud-prepared tax returns thus falsely claimed tax refunds in the amount of
12 \$321,333 and \$784,931, respectively.

13 24. On the 2009 tax return of customer Russell Budnick of Missouri City, Texas,
14 Giroud claimed \$518,929 in withholdings from "FORM 1099 OID" income. Giroud
15 claimed that Budnick had an adjusted gross income in the amount of \$521,387, of which
16 \$518,929 was reported as taxable interest income, and all of which was purportedly
17 withheld as taxes according to the return. The Schedule B attached to the return listed the
18 \$518,929 as "FORM 1099 OID" income. In reality, Budnick's 2009 adjusted gross
19 income was only \$2,458. Giroud, by falsely claiming that \$518,929 was withheld in
20 taxes, not only fraudulently eliminated Budnick's actual tax liability, but claimed a bogus
21 tax refund in the amount of \$351,263.

22 25. Giroud also prepared Budnick's 2006, 2007, and 2008 federal tax returns on
23 April 2, 2010, the same date that Giroud prepared Budnick's 2009 federal tax return.
24 Giroud falsely claimed that in 2006, 2007, and 2008, Budnick had \$591,004, \$560,500,
25 and \$407,170, respectively, withheld in taxes from bogus "FORM 1099 OID" income, as
26 reported on the Schedule B attached to the returns. Based on these false reported
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1 withholdings, Giroud claimed bogus refunds on Budnick's 2006, 2007, and 2008 tax
2 returns in the amounts of \$392,992, \$378,222, and \$253,305, respectively.

3 26. Giroud, on the 2009 tax return of customer Nancy Iiams of Round Rock,
4 Texas, falsely claimed that Iiams had \$99,593 in tax withheld from the purported \$99,593
5 in "FORM 1099 OID" interest income that Giroud reported on the Schedule B. Giroud
6 also attached two fraudulent Forms 1099-A to Iiams' return which reported the
7 acquisition or abandonment of secured property in the total amount of \$99,593. The
8 result of Giroud's fraudulent claims is that Iiams' 2009 tax return claimed a bogus tax
9 refund in the amount of \$72,096.

10 27. On April 7, 2010, the same date he prepared Iiams' 2009 tax return, Giroud
11 also prepared Iiams' 2008 tax return and amended 2007 tax return. On these returns,
12 Giroud attached fraudulent Forms 1099-OID claiming bogus withholdings in the amounts
13 of \$199,526.94 in 2008 and \$662,036.61 in 2007. Giroud reported this bogus
14 withholding on Iiams' Forms 1040, and claimed bogus tax refunds of \$132,402 for 2008
15 and \$442,483 for 2007.

16 28. Giroud also prepared a 2009 federal tax return and an amended 2006 federal
17 tax return for customers Floyd and Susana Anderson of Moreno Valley, California, which
18 included bogus claims based on the attached Forms 1099-OID. On the Andersons' 2009
19 tax return, Giroud falsely claimed withholdings in the amount of \$662,467, and a bogus
20 refund in the amount of \$338,155. Line 1 of the Schedule B attached to the tax return
21 listed \$74,809 in "IRS" interest and interest from Wells Fargo Bank in the amount of
22 \$304. Lines 2 and 4 of the Schedule B then reported a subtotal of interest in the amount
23 of \$737,500, which was \$662,387 more than the reported interest on Line 1. Although
24 Line 4 of the Schedule B instructs that the amount reported on that line (which here was
25 \$737,500) be entered on Line 8a of the Form 1040, the Form 1040 reported \$662,387 in
26 taxable interest income, with no explanation for the differing amounts; in actuality,
27 Giroud fabricated both reported amounts.

29. On the Andersons' 2006 Form 1040X amended tax return, Giroud falsely claimed \$720,941 in withholdings and a bogus refund of \$474,062. The \$720,941 included \$716,441 reported as interest income on the Schedule B attached to the return. The Giroud-prepared return has several fraudulent Forms 1099-OID attached, reporting purported income tax withholdings by Countrywide Home Loans, Bank of America, US Bancorp, and State Farm Mutual Automobile Insurance Company, and the amount on those forms totals \$716,312. Similarly, several Forms 1099-A are attached, purportedly abandoning secured property, and the amounts reported on those forms also total \$716,312. The return reports to be self-prepared, but Giroud told the IRS that he was the paid preparer.

30. The bogus refunds claimed on the Andersons' 2006 amended return and 2009 return, totaling \$812,217, were erroneously issued to the Andersons based on Giroud's false claims.

Giroud Filed Income Tax Returns that Frivolously Overstated his Own Income and Withholdings and Wrongly Claimed Over a Million Dollars in Refunds.

31. Giroud's frivolous preparation is not limited to returns for his customers. Giroud has asserted the same bogus "commercial redemption" theories and attached fraudulent Forms 1099-OID to his personal tax returns. The following chart shows Giroud's bogus reported withholdings and fraudulent claims for refund on his personal returns for tax years 2006 through 2008:

Tax Year	Reported Withholdings	Form 1099-OID "Income"	Claimed Refunds
2006	\$390,441	\$57,667	\$351,496
2007	1,887,219	387,219.42	993,768 ¹

¹ The total reported overpayment of tax was \$1,743,768, and Giroud requested that the remaining \$750,000 not requested as a refund be applied to his 2008 tax liability.

2008	111,183	111,182.89	50,905
	Total: \$2,388,843	Total: \$556,069.31	Total: \$1,396,169

Harm Caused by Giroud's Misconduct and Tax-Fraud Scheme

32. Giroud prepared and filed at least 114 individual tax returns that fraudulently overstate withholding and claim unwarranted refunds. Many of the refund requests on these fraudulent returns exceed \$300,000 and several returns request refunds exceeding \$2 million. The total amount of refunds requested on these 114 returns is over \$19 million.

33. The scheme employed by Giroud is part of a growing trend among tax defiers nationwide to file frivolous tax returns and other forms with the IRS and courts in an attempt to escape their federal tax obligations and steal from the U.S. Treasury.

34. In reliance on Giroud's services, his customers have failed to file proper federal income tax returns, which has either deprived his customers of proper tax refunds to which they may have been entitled or deprived the United States of additional tax revenue owed by the customers.

35. While the IRS is able to detect and stop most fraudulent refund claims, Giroud's fraudulent tax return preparation has resulted in the IRS's issuance of at least \$1,266,062.40 in erroneous refunds to his customers.

36. In addition to the lost revenue due to the issuance of erroneous refunds, the government has also incurred the expense of conducting the investigation of Giroud's fraudulent return preparation and responding to and processing the frivolous documents Giroud submitted to the IRS.

Count I: Injunction Under 26 U.S.C. § 7407

37. The United States incorporates by reference the allegations contained in paragraphs 1 through 36.

38. Under 26 U.S.C. § 7407, the United States may seek an injunction against any tax return preparer who has engaged in any “fraudulent or deceptive conduct which substantially interferes with the proper administration of the Internal Revenue laws,” or who has “engaged in any conduct subject to penalty under section 6694 or 6695.”

39. If a return preparer's misconduct is continual or repeated and the court finds that a narrower injunction (*i.e.* prohibiting specific enumerated conduct) would not be sufficient to prevent the preparer's interference with the proper administration of federal tax laws, the court may enjoin the person from further acting as a return preparer.

40. Giroud, individually and doing business as Refunds R Us, has continually and repeatedly prepared and filed with the IRS false and frivolous federal income tax returns on behalf of his customers.

41. As a result, Giroud has continually and repeatedly engaged in fraudulent or deceptive conduct which substantially interferes with the proper administration of the Internal Revenue laws.

42. Giroud has continually and repeatedly prepared and filed federal tax returns that understate his customers' tax liabilities as a result of unreasonable and frivolous claims and has thus engaged in conduct subject to penalty under 26 U.S.C. § 6694.

43. Giroud has continually and repeatedly prepared and filed federal tax returns that understate customers' tax liabilities as a result of Giroud's willful attempt to understate his customers' tax liabilities and his reckless or intentional disregard of internal revenue laws and regulations.

44. Injunctive relief is appropriate to prevent this misconduct because, absent an injunction, Giroud is likely to prepare more false and fraudulent federal income tax returns and engage in other misconduct as described in this complaint.

45. Additionally, Giroud has continually and repeatedly prepared returns that include fraudulent refund claims.

1 46. Giroud should be permanently enjoined under 26 U.S.C. § 7407 from acting
2 as a federal tax return preparer because a more limited injunction would be insufficient to
3 stop him from interfering with the proper administration of the tax laws.

4 **Count II: Injunction Under 26 U.S.C. § 7408**

5 47. The United States incorporates by reference the allegations contained in
6 paragraphs 1 through 46.

7 48. Under 26 U.S.C. § 7408, a district court may enjoin any person from, *inter*
8 *alia*, engaging in conduct subject to penalty under 26 U.S.C. § 6701 if injunctive relief is
9 appropriate to prevent recurrence of that conduct.

10 49. Section 6701 imposes a penalty on any person who aids or assists in,
11 procures, or advises with respect to, the preparation of any portion of a return, affidavit,
12 claim, or other document, who knows (or has reason to believe) that such portion will be
13 used in connection with any material matter arising under the internal revenue laws, and
14 who knows that such portion (if so used) would result in an understatement of the
15 liability for tax of another person.

16 50. Giroud prepared and aided or assisted in the preparation and filing of federal
17 income tax returns and other documents that resulted in the understatement of his
18 customers' tax liabilities.

19 51. As a result Giroud has engaged in conduct subject to penalty under 26
20 U.S.C. § 6701.

21 52. Giroud has not acknowledged the impropriety of his actions and continues to
22 file false and fraudulent tax returns and frivolous documents.

23 53. Injunctive relief is appropriate to prevent recurrence of Giroud's misconduct.

24 **Count III: Injunction Under 26 U.S.C. § 7402**

25 54. The United States incorporates by reference the allegations contained in
26 paragraphs 1 through 53.

55. Under 26 U.S.C. § 7402(a), a court may issue injunctions as may be necessary or appropriate for the enforcement of the internal revenue laws, even if the United States has other remedies available for enforcing those laws.

56. Giroud substantially interferes with the enforcement of the internal revenue laws by promoting his “redemption” or “commercial redemption” tax-fraud scheme and filing fraudulent and frivolous federal tax returns and other documents on behalf of his customers.

57. As a result of Giroud's misconduct and his fraudulent refund claims, his customers fail to file proper tax returns, and, consequently, may be penalized under 26 U.S.C. § 6676 for up to 20 percent of the excessive and fraudulent refund claim. Additionally, the U.S. Treasury has issued erroneous refunds for over one million dollars as a result of Giroud's fraudulent filings, and IRS employees have spent taxpayer money investigating Giroud's conduct, halting the issuance of erroneous refunds, and recovering erroneous refunds that have already been issued.

58. Giroud's conduct results in irreparable harm to the United States and to the public for which there is no adequate remedy at law.

59. Giroud's conduct interferes with the proper administration of the Internal Revenue Code because it results in frivolous filings with the IRS that hinder the IRS's ability to determine the correct tax liabilities of Giroud's customers.

60. Unless enjoined by this Court, Giroud will continue to prepare fraudulent tax returns for himself and customers and administer his tax-fraud scheme.

61. The United States is entitled to injunctive relief under 26 U.S.C. § 7402(a) to prevent the recurrence of this misconduct.

WHEREFORE, Plaintiff, the United States of America, prays for the following relief:

A. That the Court find that Giroud has continually and repeatedly engaged in conduct subject to penalty under 26 U.S.C. §§ 6694 and 6701 and that injunctive relief is

1 appropriate under 26 U.S.C. § 7402, 7407, and 7408 to bar Giroud from acting as a tax
2 return preparer and from engaging in conduct subject to penalty under 26 U.S.C. §§ 6694
3 and 6701;

4 B. That the Court find that Giroud has engaged in conduct that substantially interferes
5 with the enforcement and administration of the internal revenue laws, and that injunctive
6 relief against him is appropriate to prevent the recurrence of that misconduct pursuant to
7 26 U.S.C. §§ 7407 and 7402(a);

8 C. That the Court, under 26 U.S.C. §§ 7402 and 7407, enter a permanent injunction
9 permanently barring Giroud from acting as federal tax return preparer and from preparing
10 or filing federal tax returns or forms for others, from representing others before the IRS,
11 and from advising anyone concerning federal tax matters;

12 D. That the Court, under 26 U.S.C. §§ 7402, 7407, and 7408, enter a permanent
13 injunction prohibiting Giroud and his representatives, agents, servants, employees,
14 attorneys, independent contractors, and anyone in active concert or participation with
15 them, from directly or indirectly:

16 (1) Preparing or filing, or assisting in, or directing the preparation or filing of
17 any federal tax return or amended return or other related documents or forms for any
18 other person or entity;

19 (2) Engaging in activity subject to penalty under 26 U.S.C. § 6694;

20 (3) Engaging in conduct subject to penalty under 26 U.S.C. § 6701, including
21 preparing and filing or advising with respect to tax returns and other
22 documents that understate the tax liabilities of others; and

23 (4) Engaging in any other activity subject to penalty under the Internal Revenue
24 Code; and

25 (5) Engaging in other conduct that substantially interferes with the proper
26 administration and enforcement of the internal revenue laws;

1 E. That this Court under 26 U.S.C. § 7402, enter a permanent injunction prohibiting
2 Giroud from preparing his own federal income tax returns that claim fabricated income-
3 tax withholding and refunds based on the “redemption” theory and amounts shown in
4 Forms 1099-OID issued to his creditors;

5 F. That this Court under 26 U.S.C. § 7402, enter a permanent injunction prohibiting
6 Giroud from filing, providing forms for, or otherwise aiding and abetting the filing of
7 frivolous Forms 1040, Forms 1040X, Forms 1099 or other IRS forms for himself or
8 others;

9 G. That this Court, under 26 U.S.C. § 7402, enter an injunction requiring Giroud to
10 contact by mail and email all persons for whom he has prepared federal tax returns since
11 2008 and inform those persons of the Court’s findings concerning the falsity of Giroud’s
12 prior representations and provide a copy of the permanent injunction against Giroud;

13 H. That this Court, under 26 U.S.C. § 7402, order Giroud to provide to the United
14 States a list of all persons for whom he has prepared federal tax returns since 2008;

15 I. That this Court allow the government full post-judgment discovery to monitor
16 Giroud’s compliance with the injunction; and
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1 J. That this Court grant the United States such additional relief as the Court deems
2 just and appropriate.

3 Date: April 15, 2011

4 Respectfully submitted,

5 ANDRE BIROTTE, JR.
6 United States Attorney
7 SANDRA R. BROWN
8 Assistant United States Attorney
9 Chief, Tax Division

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY

This case has been assigned to District Judge Virginia A. Phillips and the assigned discovery Magistrate Judge is Oswald Parada.

The case number on all documents filed with the Court should read as follows:

EDCV11- 608 VAP (OPx)

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

=====

NOTICE TO COUNSEL

A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).

Subsequent documents must be filed at the following location:

☐ **Western Division**
312 N. Spring St., Rm. G-8
Los Angeles, CA 90012

☐ **Southern Division**
411 West Fourth St., Rm. 1-053
Santa Ana, CA 92701-4516

☒ **Eastern Division**
3470 Twelfth St., Rm. 134
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.

COPY

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Daniel Layton, Asst. United States Attorney
300 N. Los Angeles Street, Room 7211
Los Angeles, CA 90012 (213) 894-6165

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

UNITED STATES OF AMERICA,

PLAINTIFF(S)

v.

DENNIS E. GIROUD, individually and d/b/a/
REFUNDS R US,

DEFENDANT(S).

CASE NUMBER

CV

SUMMONS

TO: THE ABOVE-NAMED DEFENDANT(S):

YOU ARE HEREBY SUMMONED and required to file with this court and serve upon plaintiff's attorney
Daniel Layton, whose address is:

United States Attorney's Office
300 N. Los Angeles Street Room 7211
Los Angeles, CA 90012
Tel: 213-894-6165 Fax: (213) 894-0115
Email: Daniel.Layton@usdoj.gov

an answer to the ☒ complaint ☐ _____ amended complaint ☐ counterclaim ☐ cross-claim
which is herewith served upon you within 21 days after service of this Summons upon you, exclusive
of the day of service. If you fail to do so, judgement by default will be taken against you for the relief
demanded in the complaint.

Clerk, U.S. District Court

Dated: _____

By: _____

Deputy Clerk

(Seal of the Court)

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

COPY

I (a) PLAINTIFFS (Check box if you are representing yourself <input type="checkbox"/>) UNITED STATES OF AMERICA Los Angeles	DEFENDANTS DENNIS E. GIROUD, individually and d/b/a REFUNDS R US San Bernardino County
(b) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.) United States Attorney's Office Darwin Thomas, Asst. United States Attorney 300 N. Los Angeles Street, Room 7211 Tel. No. (213) 894-6165	Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an X in one box only.) <input checked="" type="checkbox"/> 1 U.S. Government Plaintiff <input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party) <input type="checkbox"/> 2 U.S. Government Defendant <input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	III. CITIZENSHIP OF PRINCIPAL PARTIES - For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant.) <table style="width:100%;"> <tr> <th></th> <th>PTF</th> <th>DEF</th> <th></th> <th>PTF</th> <th>DEF</th> </tr> <tr> <td>Citizen of This State</td> <td><input type="checkbox"/> 1</td> <td><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business in this State</td> <td><input type="checkbox"/> 4</td> <td><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td><input type="checkbox"/> 2</td> <td><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td><input type="checkbox"/> 5</td> <td><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td><input type="checkbox"/> 3</td> <td><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td><input type="checkbox"/> 6</td> <td><input type="checkbox"/> 6</td> </tr> </table>		PTF	DEF		PTF	DEF	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
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Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4																				
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5																				
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																				

IV. ORIGIN (Place an X in one box only.)

☒ 1 Original Proceeding
 ☐ 2 Removed from State Court
 ☐ 3 Remanded from Appellate Court
 ☐ 4 Reinstated or Reopened
 ☐ 5 Transferred from another district (specify): _____
 ☐ 6 Multi-District Litigation
 ☐ 7 Appeal to District Judge from Magistrate Judge

V. REQUESTED IN COMPLAINT: JURY DEMAND: ☐ Yes ☒ No (Check 'Yes' only if demanded in complaint.)

CLASS ACTION under F.R.C.P. 23: ☐ Yes ☒ No
 MONEY DEMANDED IN COMPLAINT: \$ _____

VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)

26 U.S.C. Sections 7402, 7407 and 7408

VII. NATURE OF SUIT (Place an X in one box only.)

OTHER STATUTES <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes	CONTRACT <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	TORTS PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus-Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	TORTS PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability BANKRUPTCY <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 American with Disabilities - Employment <input type="checkbox"/> 446 American with Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General Habeas Corpus <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition FORFEITURE/PENALTY <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
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EDCV11-0608

FOR OFFICE USE ONLY: Case Number: _____

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

VIII(a). IDENTICAL CASES: Has this action been previously filed in this court and dismissed, remanded or closed? ☒ No ☐ Yes
If yes, list case number(s): _____

VIII(b). RELATED CASES: Have any cases been previously filed in this court that are related to the present case? ☒ No ☐ Yes
If yes, list case number(s): _____

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply) ☐ A. Arise from the same or closely related transactions, happenings, or events; or
☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or
☐ C. For other reasons would entail substantial duplication of labor if heard by different judges; or
☐ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

IX. VENUE: (When completing the following information, use an additional sheet if necessary.)

- (a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named plaintiff resides.
☒ Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles	

- (b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named defendant resides.
☐ Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
San Bernardino	

- (c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** claim arose.
Note: In land condemnation cases, use the location of the tract of land involved.

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles	

* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties

Note: In land condemnation cases, use the location of the tract of land involved

X. SIGNATURE OF ATTORNEY (OR PRO PER):  **Date** 4/18/11

Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))